



NEWS RELEASE

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City Of St. Paul Receives USDA Rural Development Funding Approval Financial Assistance For New Business Startups and Existing Business Expansion

St. Paul, KS – USDA Rural Development State Director Chuck Banks announced today that the City of St. Paul has been approved to receive \$93,625 in grant funding for two local economic development projects. Today's announcement in St. Paul, made during a community ceremonial check presentation, represents part of \$375,000 in total grant funding approved under the Agency's *Rural Business Enterprise Grant Program* for eight Kansas projects.

"Small businesses are the backbone of our rural economy, their entrepreneurial spirit and commitment to their community is helping to create jobs and bring economic stability to rural communities across Kansas. These grants will provide much needed investment financing for more rural businesses to flourish. USDA funds, combined with the Agency's valuable technical assistance which supports local leadership, helps make these beneficial rural businesses a reality," commented State Director Banks.

The two St. Paul projects approved, a \$52,125 grant to assist in extending a water line to the 20 acre City of St. Paul industrial park and a \$41,500 grant to assist in the construction of infrastructure related to a new business, will help create and retain 15 local jobs. USDA Rural Development funds will be leveraged with an applicant contribution of \$32,805.

USDA Rural Development *Rural Business Enterprise Grants* can be used for a variety of purposes, including technical assistance, machinery and equipment purchases, revolving loan fund creation, and building construction. Funding of these selected applicants will be contingent upon meeting the conditions of the grant agreement.

Today's funding announcement will support the construction of eight important community projects that will provide long-term benefits to these communities and service areas. The six other projects approved for funding by USDA Rural Development follow:

Lincoln County Economic Development; Lincoln, KS – \$85,000 / Rural Business Enterprise Grant to establish a revolving loan fund for Lincoln, County. Agency funds will be leveraged by a \$30,000 applicant contribution into the revolving loan fund. This \$115,000 revolving loan fund will be utilized for making loans to small businesses to create jobs in Lincoln County.

Oberlin Decatur Area Economic Development Corporation, Inc.; Oberlin, KS – \$85,000 / Rural Business Enterprise Grant to establish a revolving loan fund to assist start-up businesses and existing business expansions. Agency funds will be complemented by an applicant contribution of \$15,000 to establish a new \$100,000 revolving loan fund to assist small businesses in creating and saving jobs in northwest Kansas.

(continued)

Phillips County Development & Community Foundation, Inc.; Phillipsburg, KS – \$60,000

/ Rural Business Enterprise Grant funds will be used to supply technical assistance to small and emerging businesses in Phillips County and the surrounding twelve counties. The Center will use funds to educate and encourage business owners and entrepreneurs to build capacity for economic development, and business expansion and retention through a variety of classes including; accounting, how to start a business, and computer classes. The Center will also allow the businesses to use the Center resources such as the copier and computer access to start or expand their small business. Agency funds will be leveraged by a \$57,000 applicant contribution and \$50,000 from the Huck Boyd Institute.

Q.U.A.D. Facilitation Program, Inc.; Sedan, KS – \$25,000 / Rural Business Enterprise Grant funds will be used to assist in encouraging and helping entrepreneurial business endeavors such as business concept formalization and finalization, team building, product marketing, financial management, general operations, as well as research or referral activities. Agency funds will be complemented by an applicant contribution of \$67,000.

Flint Hills RC&D; Strong City, KS – \$20,975 / Rural Business Enterprise Grant funds will be used to assist Flint Hills RC&D in providing technical assistance to rural producers who have interests in developing or expanding an agritourism business. Flint Hills RC&D will set up workshops to educate participants about business planning; risk management; marketing; and financial management with regards to agritourism projects. Agency funds will be complemented by an applicant contribution of \$40,475.

Harper County Economic Development Council, Inc.; Anthony, KS – \$5,400 / Rural Business Enterprise Grant funds will be used to complete a feasibility study for a new business that is being proposed in Anthony. Agency funds will be supplemented by an applicant contribution of \$600.

During today's announcement, State Director Banks thanked the Kansas Congressional Delegation for their continued support of the Agency's *Rural Business Enterprise Grant Program*, along with the many other USDA Rural Development programs. "Over the past thirteen years alone, the Agency's *Rural Business Enterprise Grant Program* has contributed over \$4 million in added growth to the Sunflower State's economy. This represents nearly 800 jobs created and/or saved in communities across the State," remarked Banks.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, the Agency provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure in rural America. For additional information regarding this program, contact the nearest USDA Rural Development Area office at Iola (620-365-2901); Manhattan (785-775-7582); or Hays (785-628-3081); or visit the Agency's Kansas website at www.rurdev.usda.gov/ks

USDA Rural Development – Committed to the Future of Rural Communities.

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